



High-Profile Information Technology Project Status Report

Department: Employee Trust Funds	
Project Name: Transformation, Integration, Modernization (TIM) – Benefit Administration System (BAS)	
Business Sponsor: Robert Conlin	
Date of Report: 12/04/17	Reporting for Quarter: 12/1/2017
Project Start Date: March, 2014	Planned Implementation Date: 2019
Estimated Project Cost: \$28.5M	Amount Provided Through Master Lease: Most

Project Description – Enter a brief description of the project, including the business case for it and its major deliverables.

ETF is replacing all of its legacy, custom-built line-of-business computer applications with a single, highly-integrated system from Vitech Systems Group. Vitech's V3 application is already installed at over 20 public pension funds and 30 private sector companies. It is a functioning and highly configurable system specifically designed for pension, insurance and other benefits administration.

The Benefit Administration System (BAS) project will deliver functionality in three rollouts, or phases:

Rollout 1 - Imaging, workflow, and document management - Q4, 2015 - DONE

Rollout 2 - Employer Reporting and Insurance Benefits - Q1, 2018 - BEING RESCHEDULED

Rollout 3 - Employee Benefit Processing 2019/2020 (estimate) -- WILL BE DELAYED DUE TO R2 DELAY

Project Funding – Please describe all sources of funding for the project, which should add up to the estimated project cost cited above.

The Project funding has been made available through Department's SEG funds and via separate budget request for project staffing and funds made available through the department's SEG funds, and through funding advanced through Master Lease as needed -- which is now paid off. Vitech's V3 BAS is a purchased system that requires extensive configuration and some customization. Major technologies are Java and Oracle Database. Most of the functionality is proprietary to Vitech.

Project Status – Determine the status for the Schedule and Budget categories below based on the guidelines on the right and described in more detail on page 2 of this document.

Insert an X in the column that best describes the status of the category. Add comments for that category as needed.

Additional comments are not required if the status is Green, but if a category has a status of Yellow or Red, describe the issues or problems and what actions the agency is taking to address them.

STATUS COLOR INDICATORS	
Green	On target as planned
Yellow	Encountering issues (e.g., Schedule or Budget over by 10% to 25%)
Red	Encountering problems (e.g., Schedule or Budget over by 25% or more)

Project Status Categories

Schedule Status

ETF has spent the past several months testing myETF Employer Online Services to measure the readiness of the system for the January 1, 2018 go-live. After a very thorough assessment, we've concluded that the current state of Vitech's product does not fully meet our quality, performance or security standards. As a result, we've decided to postpone the myETF go live. We are disappointed about this project delay, but it is important to ETF that we roll out a quality product to our employers and members. We are working with Vitech to determine a new timeline.

Budget Status

Green	Yellow	Red
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The contract with Vitech is a fixed cost project. After the previous delay, the budget was updated for Rollout 2 and the new estimated cost was \$28.5M, which is still within our original budget of \$32.5M for the vendor portion of the project. ETF is planning to pay off the master lease sooner than scheduled. Given the postponement of R2 from 1/1/2018 to a later date, it is not yet known if there will be any additional vendor costs.

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Summarize Any Completed Major Tasks or Project Phases:

Rollout 1 went successfully live on November 9, 2015. Rollout 1.5, which includes many bug fixes and an architectural framework upgrade, went live on October 10, 2016. After a few high priority bug fix releases, ETF discontinued any additional Rollout 1 or 1.5-related releases to focus fully on Rollout 2.

ETF is targeting completion of all scope work required and SDD's (system design documents) for R2 by December/January.

Summarize Any Significant Project Changes Affecting Schedule, Budget or Scope:

For each change, describe what the change involved, when it was approved, and the reasons behind the approved change. At this time, Vitech's development for R2 is behind schedule. The quantity and quality of their product, plus performance, security, and regression issues, among other things, has postponed the go-live to a later date. Due to the complexity of the project and the vendor's challenges to meet requirements, ETF is working with the vendor to phase the R2 implementation for roll-out in 2019. Details are still being worked on.

Additional Comments or Issues (optional):

If you have any additional overall status comments about the project (e.g., project news, accomplishments, emerging challenges or risks that could affect the project), please provide them here.

ETF is working with its 3rd party OPM to perform a detailed IV&V. This includes Vitech as a vendor, ETF's practices and other aspects of the projects. It is important that we can validate and verify the viability of Vitech as a vendor and their ability to deliver on a project of this magnitude.

Project Status Category Guidelines

Schedule Status

Green – Indicates that the project or phase is on track for the targeted implementation date.

Project Status Category Guidelines
<p>Yellow – Indicates that the project or phase <u>may be falling behind</u> and analysis needs to be done to determine if the project can recover and still achieve the targeted implementation date, or if adjustments must be made to that date.</p> <p>Red – Indicates that the project or critical tasks <u>have fallen behind</u> schedule, and corrective action must be taken to still achieve the targeted implementation date or that date must be changed.</p>
<p>Budget Status</p> <p>Green – Currently on target with project budget.</p> <p>Yellow – Project is over budget by 10 to 25%.</p> <p>Red – Project is over budget by 25% or more.</p>